GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2574
ANSWERED ON:08.12.2006
MEASURES TO CONTROL BORROWINGS
Reddy Shri Karunakara G.

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to work out certain measures to control borrowings to promote growth; and

(b) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) and (b): The Central Government has been following a comprehensive policy, as enjoined by the Fiscal Responsibility and Budget Management Act, 2003 and rules made there under, to achieve fiscal consolidation and thus moderation in growth of Central Government borrowings. The Act provides, inter alia, a legal and institutional framework to eliminate revenue deficit, bring down fiscal deficit and contain the growth of public debt in proportion to GDP within a time frame by March 31, 2009.